

**Montana Agriculture Development Council Meeting Minutes
February 9 & 10, 2011
Helena, Montana**

Members in attendance:

David Tyler, Chair, Belgrade

Patricia Quisno, Harlem

Ron de Yong, Director of Agriculture, Helena (*partial attendance*)

Bill Koenig, Kalispell

Members absent:

Dore Schwinden, Director of Commerce, Helena

Verges Ageson, Gildford

Ervin Schlemmer, Vice Chair, Joliet

Staff in attendance:

Joel Clairmont, Deputy Director, Montana Department of Agriculture

Cort Jensen, Chief Legal Counsel

Collin Watters, Bureau Chief, Agriculture Marketing and Business Development (AMBD)

Lindra Davies, Marketing Technician

Montana Department of Agriculture staff were available to the Agriculture Development Council (Council) for information purposes.

David Tyler, Chair, called the meeting to order at 8:05 a.m. Wednesday, February 9, 2011.

Roll Call/Call for Proxies

- Proxy received from Dore Schwinden, Director of Montana Department of Commerce granting voting authority to Mark Bisom, Bureau Chief, Trade and International Relations Bureau, Montana Department of Commerce, who was present as Director Schwinden's representative.
- Proxy received from Ron de Yong, Director of Montana Department of Agriculture granting voting authority to Joel Clairmont, in the event that he is called away from the meeting.

Review of September 29 and 30, 2010 Minutes

On page 2, Joel Clairmont recommended to amend the original carried motion to allow forgiveness of Lake County Community Development Center's loan for \$15,000 to include the words "and interest" in order to remain consistent with the recommended revisions made in the May 27, 2010 minutes.

On page 8, Joel recommended that the words "will tour" be replaced with "plans to tour" under the Updates section for Lolo Peak Winery, Inc. since, at this time, it is not certain if the interested party actually toured the facility on September 17, 2010.

On page 13, the minutes stated in a motion made by Ron de Yong that Trevino's Tortilla's was funded \$25,000 as a grant for supplies and materials, contingent upon a review of business operations by Collin Watters and Chad Lee.

Collin explained that he was in contact with Chris and Destynee Trevino of Trevino's Tortilla's shortly after the meeting and encouraged them to pursue business assistance for their operation from a local consultant in Billings. He reported that Destynee has done so since the Council's September 29 and 30, 2011 meeting.

Joel recommended that the current minutes clarify that the department provided direction for the Trevino's to pursue as an alternative to the awards original contingency.

Bill Koenig moved to accept the amendments on page 2, page 8 and page 13 of the September 29 and 30, 2011 minutes. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

Review of May 27, 2010 Minutes

No further action needed.

Financial Review

Collin Watters, AMBD Bureau Chief, gave an overview of the financial information to date for this fiscal year. The Council reviewed budget spreadsheets handed out by Collin and discussed the budget requests for the current meeting. Collin also provided a financial summary of the Mini-Grant Program and Trade Show Assistance Program expenditures.

Investment Review/Loan Review

Collin provided a status report on all active Growth Through Agriculture (GTA) investments. He also stated that since the date that the reports were created, several reporting and repayment delinquencies have been satisfied.

Department of Agriculture Update (September 2010 – January 2011)

Collin provided an AMBD staff report of current activities encompassing the areas of marketing, business development, agriculture education and the GTA program.

Marketing consultations by Department of Agriculture's (Department) Marketing Specialists with Montana agriculture companies to discuss how to access state and federal resources continued during this reporting period. In 2010, 46 in-person marketing consultations were conducted.

To accommodate Montana agriculture producer's heightened interest in growing lentils, the department's Business Development Officer developed an informational presentation and spreadsheet materials to assist producer groups evaluate rotations and the inclusion of pulses and other rotational crops. Direct assistance was provided to three pulse crop processors in an effort to recruit processors to the State.

The Department's Special Projects Coordinator works with businesses on an ongoing basis to interpret food and food safety regulations. Other activities included the administration of the

Montana Food System Council (MFSC), Federal-State Marketing Improvement Program (FSMIP) project, and the Food and Agriculture Development Center Network.

The Agriculture Literacy Specialist developed agriculture education materials for teachers and students. The materials are useful tools for workshops, in-services, and presentations which are being held across Montana with teachers and school administration to bring agriculture literacy to the classrooms and libraries of Montana's schools.

Upcoming AMBD activities include: Young Agriculture Couples Conference, Natural Products Expo East, Montana Farm to Table Connection, Billings Market, and assisting the Northern Pulse Growers Association with a full-day pulse seminar.

Department of Commerce Update (July – December 2010)

Mark Bisom, Bureau Chief, Trade & International Relations Bureau provided a summary of the bureau's technical and marketing assistance for Montana agriculture producers interested in pursuing business opportunities domestically and internationally. During this reporting period assistance was provided to 40 Montana agriculturally based companies on a total of 56 requests.

Overseas trade offices are maintained in Taipei, Taiwan and Kumamoto, Japan and Mark reported on activities performed in those regions that support and promote Montana agriculture and the export and sale of value-added products to markets in East Asia.

Application Presentations

- **“BioOmega3; Creating Value-Added Products From Camelina for Health Supplement Markets”**
Bill O'Connell, BiOmega3, LLC
- **“Glacier View Vineyard”**
Roger Olson, Glacier View Vineyard
- **“Burns Street Square's Boxcar Kitchen – a Neighborhood Food Hub”**
Bob Oaks, North-Missoula Community Development Corporation

10:15 a.m. Break

Application Presentations

- **“Range Rider Weed Management Business Expansion”**
Michael Larson, Range Rider Land Management, LLC
- **“Montana Gluten Free Processors Business Expansion”**
Gary Iverson, Bruce Wright and , Montana Gluten Free Processors
- **“Montana Grown 3rd Party Certified Gluten Free Oats Go-To Market Initiative”**
Rich and Cathy Powell, Montana Monster Munchies, LLC

Business Items and Special Issues/Requests

Electronic Grants Management System

Collin Watters, AMBD Bureau Chief, announced that the Department completed their evaluation of four proposals considered for an electronic grants management system and that

Dulles Technology Partners, Inc. of Leesburg, Virginia was chosen to develop the grant management system for the Department's Growth Through Agriculture program and Noxious Weed Trust Fund grant program.

Requests

- *Agriculture in Montana Schools (AMS) primarily based in Manhattan (MDA 0550851)*
Lorri Brennen of AMS is requesting an additional \$5,000 to continue and expand the school gardens project. The group will be working very closely with First Lady Nancy Schweitzer in an effort to reach more students and achieve a higher level of recognition.

Determination will be made later in the meeting.

12:05 p.m. Lunch

Application Presentations

- **"The Overall Goal is to Develop a Aerospace Industry in Montana That Gives Farmers and Ranchers a Detail and Timely In-Field Variability Data"**
David Scruggs, Terrestrial Data Systems, LLC

Business Items and Special Issues/Requests***Requests***

- *Amaltheia Dairy of Belgrade (MDA 10-050-017)*
Sue Brown of Amaltheia Dairy requested that the Council allow forgiveness of the company's loan and explained that the business has endured several setbacks and disappointments during the past year.

The loan was granted in 2001 and currently the principal balance is \$42,948.38 and interest accrued to date totals \$15,130.77.

Bill Koenig moved to forgive the business's loan. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

Application Presentations

- **"Wee Chef, LLC Marketing Project"**
Todd and Becky A. Horning, Wee Chef, LLC
- **"Montana Wagyu Cattle Company Retail Expansion"**
Richard T. Woienski, Montana Wagyu Cattle Co., LLC
- **"Montana Real Time GPS Network"**
Doug Weist, Farm Tech, LLC

2:10 Break

Business Items and Special Issues/Requests***Issues***

- *Montana Mountain Bison of Belt (MDA 0650962)*
During the September 29 and 30, 2010 meeting, the Council agreed to postpone any legal action against the company in order to see if the company would fulfill their obligation to return GTA funding by the end of 2010.

Collin reported that the company has not provided evidence that a trailer or other property was purchased in accordance with their contract. Nor has the company fulfilled their resulting obligation to return the funding they received for this project.

Bill Koenig moved to have the Montana Attorney General's office pursue legal action for breach of contract. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

Application Presentations

- **"Marketing Woolen Insulation for Promotion of a Greener, Cleaner Building Environment"**
Thayne Mackey, Montana Green Insulation (applicant was not available to present)
- **"Agricultural/Wood Waste Biomass Conversion Weed-Free Organic Fertilizer and Soil Amendments"**
John Murdock, Algae Aqua-Culture Technology, Inc.

3:50 p.m. Break

Application Presentations

- **"1. Creating a Profit Center for the MHMA Packing Plant Waste 2. Development of a Plan to Ensure a High Quality Beef Supply for the MHMA Plant"**
Bruce Samson, Montana Hog Marketing Association
- **"Winebark's Old World Specialty Meats"**
Duane Winebark, Winebark's Old World Specialty Meats, LLC

Business Items and Special Issues/Requests

Issues (continued)

- *US Omega3 Foods of Florence (MDA 0750029)*

Collin reported that the company has not made a payment on their loan since May of 2010. Ron Oberlander of US Omega3 Foods was sent a notice on January 3, 2011 indicating that the Department would take legal action if immediate payment was not made.

Mark Bisom moved to have Cort Jensen, legal counsel for the Department of Agriculture, pursue legal action against the company. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

- *Montana Food Products of Laurel (MDA 1050358)*

Collin reported that the company has not yet supplied any reports concerning the use of project funds. Ron Oberlander and David Tooke of Montana Food Products of Laurel were sent a notice on December 6, 2010 indicating that the Council would consider transforming the grant into a loan at ten percent interest because of this reporting failure.

Bill Koenig moved to turn the grant award into a loan at ten percent interest. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

- *Earl Fisher Biofuels, LLP of Chester (MDA 0850068)*

Collin reported that the company sent a partial final report in June of 2010. Bret Earl and Logan Fisher of Earl Fisher Biofuels, LLP were sent a letter requesting more detailed information about the economic impacts of the project. The requested information was not provided so the company was sent a notice on October 26, 2010 indicating that the Council would consider demanding return of the project's grant award due to reporting failure.

Mark Bisom moved to request the report by the close of business February 18, 2011 or the department will retain the remaining ten percent of the business's award in order to close the file. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

Public Comments

Chair, David Tyler, called for public comments. No public comments were presented.

Other Business

Chair, David Tyler, called for other business. No other business was presented.

Chair, David Tyler, adjourned the meeting at 5:35 p.m. on Wednesday, February 9, 2011.

Council reconvened at 8:00 a.m. on Thursday, February 10, 2011.

Members in attendance:

David Tyler, Chair, Belgrade

Patricia Quisno, Harlem

Ron de Yong, Director of Agriculture, Helena (*partial attendance*)

Bill Koenig, Kalispell

Members absent:

Dore Schwinden, Director of Commerce, Helena

Verges Aageson, Gildford

Ervin Schlemmer, Vice Chair, Joliet

Staff in attendance:

Joel Clairmont, Deputy Director, Montana Department of Agriculture

Cort Jensen, Chief Legal Counsel

Collin Watters, Bureau Chief, Agriculture Marketing and Business Development (AMBD)

Lindra Davies, Marketing Technician

Roll Call/Call for Proxies

- Proxy received from Dore Schwinden, Director of Montana Department of Commerce granting voting authority to Mark Bisom, Bureau Chief, Trade and International Relations Bureau, Montana Department of Commerce, who was present as Director Schwinden's representative.

- Proxy received from Ron de Yong, Director of Montana Department of Agriculture granting voting authority to Joel Clairmont, in the event that he is called away from the meeting.

Montana Department of Agriculture staff were available to the Agriculture Development Council (Council) for information purposes.

Business Items and Special Issues/Requests

Issues

- Brookside Woolen Mills Properties, LLC of Malta (MDA 0950255)

Collin reported that the company has not yet supplied a final quarterly report pertaining to the use of funds provided through this grant. Thayne Mackay of Brookside Woolen Mills Properties, LLC was sent a notice on December 6, 2010 indicating that the Council would consider transforming the grant into a loan at ten percent interest because of this reporting failure. To date, the requested final quarterly report has not been received.

Mark Bisom moved to contact Thayne Mackay of Brookside Woolen Mills Properties, LLC requesting a final report by February 18, 2011. If the report is not received on that date, the business's award will be turned into a loan with ten percent interest. Bill Koenig seconded the motion. The motion carried with no dissenting votes.

Collin stated that he would notify the business by certified mail and follow up with a phone call. Ron de Yong offered to also follow up with phone call.

- Montana Hog Marketing Association of Three Forks (MDA 0950202)

Collin reported that the organization was scheduled to provide a final project report by December 31, 2010. The Department has not yet received the final report.

No further action needed.

- Fort Belknap (Little Rockies Smokehouse) of Harlem (MDA 0650915)

Collin reported that the Department has not yet received a comprehensive final report from the organization despite multiple requests. Collin Watters stated that he wanted to let the Council know that the file has not been closed.

Patricia Quisno offered to work on finalizing a report with Michelle Fox who is currently managing the business operations of Little Rockies Smokehouse. Collin stated that he would follow up with Patricia a few days after the meeting.

No further action needed.

- Lolo Peak Winery, LLC of Missoula (MDA 0450811)

Collin reported that the company's primary creditor has begun foreclosure proceedings. Department staff intend on traveling to Missoula for the purpose of identifying and repossessing any collateral. Cort Jensen, the Department's legal counsel, plans to work closely with staff to ensure maximum return to the State.

No further action needed.

Collin Watters reported on the following updates:***- Sustainable Systems, LLC of Missoula (MDA 0450785)***

The company has been involuntarily dissolved and is therefore inactive. Payments on the business's \$125,715.50 loan are set to begin in March of 2011.

No further action needed.***- Montana Premium Beef of Dutton (MDA 0750044)***

The Department has not received reports or repayments from Michael L. VanAuken of Montana Premium Beef despite many attempts to reach him. Chief Legal Counsel Cort Jensen indicated that verification of facility interior upgrades is necessary before legal proceedings can begin. The Department has been in contact with the property owner and plan to travel to Dutton soon.

No further action needed.***- Crossbow Corporation of Big Fork (MDA 0850124)***

Repossession of the tablet maker took place on August 16, 2010 and was subsequently auctioned by the State Property and Surplus Bureau. However, the funds generated by the sale only covered the costs of the sale, leaving a balance that is due and payable to the Department. Cort Jensen, Chief Legal Counsel advised the Department to prepare for legal action to collect the balance due.

Bill Koenig moved to attempt preparation for litigation, attempt settlement and pursue litigation against Crossbow Corporation if necessary. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

- LTL, Inc. of Reed Point (MDA 1050318)

Lee Roy and Lori Goddard of LTL, Inc. requested that the Council allow a year deferment on their loan to give them time to grow their customer base. Repayment was to begin on March 24, 2011.

Ron de Yong moved to defer interest and payment for one year. Bill Koenig seconded the motion. Motion carried with no dissenting votes.

The Council directed staff to assist the business in identifying additional financial opportunities.

Requests Granted Without Full Council Action***- Becky's Berries of Absarokee (MDA 0950182)***

The company was allowed to use cost savings for the purchase of a mobile credit card reader to use at farmers markets.

- Flathead County Extension of Kalispell (MDA 1050321)

The group was allowed to use cost savings to create an organic research plot and help growers attend a field day in Washington in the spring.

- *CTW Energy of Bozeman (MDA 0950201)*

The company was allowed an additional year to finish their project for design testing.

- *Agriculture in Montana Schools primarily based in Manhattan (MDA 0550851)*

The group was allowed to use cost savings for the purchase of a projector and for printing services.

- *Montana Microbial Products of Missoula (MDA 1050320)*

The company was allowed to use cost savings for travel and other professional expenses related to financing the facility startup.

- *Botanie Soap of Missoula (MDA 0950258)*

The company was allowed to reallocate marketing funding toward proven media and marketing channels.

- *Lewis and Clark County Extension of Helena (MDA 1050357)*

The organization was allowed an extension to October 31, 2011 to complete their project.

- *Wildwood Brewing of Stevensville (MDA 0950175)*

The company was allowed an extension until November 1, 2011 to complete their project.

Patricia Quisno moved to approve the requests. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

Application Presentations

- **“Asian Agri-Processing Investment Assessment”**
Shaun Tatarka, Great Falls Development Authority
- **“Increase Sales of Cream of the West Products in New and Existing Markets”**
Alicia Moe, Cream of the West
- **“Pilot Production of a Beef Based Whole Food Bar to Develop Procurement Strategies, Create Scalable Production Protocols, Establish a Functional Process Model, Prepare Marketable Products and Create Quality Assurance Protocols. This Pilot Production Will Also be in Conjunction With Sensory, In-Home and Field Testing in Preparation for Shelf Stability Testing”**
Cooper L. Burchenal, Little Red Hills, LLC

10:15 Break

Application Presentations

- **“Agri-Best Webinar Series”**
Scott Anderson, Agri-Best Feeds
- **“Algae BioMass Value Add”**
William J. Krutzfeldt, Montana Feed and Fuel, LLC
- **“Rycom Transload Services Expansion”**
Tim MacDonald, Rycom Transload Services, LLC

11:45 Working Lunch

Application Review

*“Marketing Woolen Insulation for Promotion of a Greener, Cleaner Building Environment”
Thayne Mackey, Montana Green Insulation, Malta, MT*

Bill Koenig moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

Business Items and Special Issues/Requests**Requests**

- Agriculture in Montana Schools (AMS) primarily based in Manhattan (MDA 0550851)
AMS is requesting an additional \$5,000.00 to continue and expand their school gardens project. The group will be working very closely with Montana’s First Lady, Nancy Schweitzer, in an effort to reach more students and achieve a higher level of recognition.

Mark Bisom moved to fund the program an additional \$5,000.00 as requested. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

Ron de Yong recused himself from voting on this request.

Application Review

*“Increase Sales of Cream of the West Products in New and Existing Markets”
Alicia Moe, Cream of the West, Harlowton, MT*

Ron de Yong moved to fully fund the project as a grant in the amount of \$49,500.00. Bill Koenig seconded the motion. The motion carried with no dissenting votes.

*“Montana Grown 3rd Party Certified Gluten Free Oats Go-To Market Initiative”
Rich Powell, Montana Monster Munchies, LLC, Bozeman, MT*

Ron de Yong moved to fund the proposal as a grant in the amount of \$25,000.00 to use at the business’s discretion for Activities 1a, b, and/or c, in order to assist with distributor and wholesale advertising and promotion costs to expand grocery store and on-line presence. Matching funds are required to be met for these activities. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

*“Montana Gluten Free Processors Business Expansion”
Gary Iverson, Montana Gluten Free Processors, Belgrade, MT*

Bill Koenig moved to fund the proposal as a reimbursable grant in the amount of \$25,000.00 for a portion of Activity 1a, toward the purchase and delivery of grain storage bins. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

*“BioOmega3; Creating Value-Added Products From Camelina for Health Supplement Markets”
Bill O’Connell, BiOmega3, LLC, Bozeman, MT*

Bill Koenig moved to fund the proposal as a grant in the amount of \$17,000.00 toward Activity 1b to assist with updating the facility for camelina oil processing by converting to electric drive, and installing hopper bins and meal handling equipment. Costs associated with Activity 1a and the remainder of Activity 1b are to be used as match. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

“Glacier View Vineyard”

Roger Olson, Glacier View Vineyard, Kalispell, MT

Patricia Quisno moved to fund activity 3a in the amount of \$8,500.00 as a grant to assist with purchasing nursery stock plants, growing tubes and Bamboo stakes. All other activities must be completed by the applicant. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

“Burns Street Square’s Boxcar Kitchen – a Neighborhood Food Hub”

Bob Oaks, North-Missoula Community Development Corporation, Missoula, MT

Bill Koenig moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

“Range Rider Weed Management Business Expansion”

Michael Larson, Range Rider Land Management, LLC, Reed Point, MT

Mark Bisom moved to not fund the proposal. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

“Asian Agri-Processing Investment Assessment”

Shaun Tatarka, Great Falls Development Authority, Great Falls, MT

Ron de Yong moved to not fund the proposal. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

The Council is in agreement that they would consider a future application to help further development of the proposed Agricultural/Industrial Park located in Great Falls.

“The Overall Goal is to Develop a Aerospace Industry in Montana That Gives Farmers and Ranchers a Detail and Timely In-Field Variability Data”

David Scruggs, Terrestrial Data Systems, LLC, Billings, MT

Mark Bisom moved to not fund the proposal. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

The Council encouraged the business to seek financial assistance through the Montana Board of Research and Commercialization Technology.

“Montana Real Time GPS Network”

Doug Weist, Farm Tech, LLC, Choteau, MT

Bill Koenig moved to not fund the proposal. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

“1. Creating a Profit Center for the MHMA Packing Plant Waste 2. Development of a Plan to Ensure a High Quality Beef Supply for the MHMA Plant”

Bruce Samson, Montana Hog Marketing Association, Three Forks, MT

Ron de Yong moved to fund the proposal as a reimbursable grant in the amount of \$2,080.00 for Activity 1a which includes ten hours of research from Mike Lau at a rate of \$160.00 per hour and three hours of engineering from Clausen Engineering at a rate of \$160.00 per hour. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

“Winebark’s Old World Specialty Meats”

Duane Winebark, Winebark’s Old World Specialty Meats, LLC, Shelby, MT

Bill Koenig moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

“Pilot Production of a Beef Based Whole Food Bar to Develop Procurement Strategies, Create Scalable Production Protocols, Establish a Functional Process Model, Prepare Marketable Products and Create Quality Assurance Protocols. This Pilot Production Will Also be in Conjunction With Sensory, In-Home and Field Testing in Preparation for Shelf Stability Testing”

Cooper L. Burchenal, Little Red Hills, LLC, Missoula, MT

Bill Koenig moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

The Council encouraged the business to seek financial assistance through the Montana Board of Research and Commercialization Technology.

“Algae BioMass Value Add”

William J. Krutzfeldt, Montana Feed and Fuel, LLC, Miles City, MT

Bill Koenig moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

The Council encouraged the business to seek financial assistance through the Montana Board of Research and Commercialization and Technology.

“Rycom Transload Services Expansion”

Tim MacDonald, Rycom Transload Services, LLC, Sunburst, MT

Ron de Yong moved to fund the proposal as a reimbursable grant in the amount of \$25,000.00 toward the purchase of a scale. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

“Agricultural/Wood Waste Biomass Conversion Weed-Free Organic Fertilizer and Soil Amendments”

John Murdock, Algae Aqua-Culture Technology, Inc., Whitefish, MT

Patricia Quisno moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

The Council encouraged the business to work the Department of Agriculture’s Commodity Services Bureau and Montana State University’s Agricultural Experiment Stations.

“Wee Chef, LLC Marketing Project”

Becky A. Horning, Wee Chef, LLC, Columbia Falls, MT

Bill Koenig moved to fund the proposal as a reimbursable grant totaling \$12,210.00 for Activity 1b toward the purchase of display freezers (\$7,710.00) and up to \$4,500.00 for a walk in freezer. Match must be expenditures incurred within the past year. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

“Agri-Best Webinar Series”

Scott Anderson, Agri-Best Feeds, Billings, MT

Mark Bisom moved to not fund the proposal. Ron de Yong seconded the motion. The motion carried with no dissenting votes.

“Montana Wagyu Cattle Company Retail Expansion”

Richard T. Woienski, Montana Wagyu Cattle Co., LLC, Belgrade, MT

Ron de Yong moved to not fund the proposal. Mark Bisom seconded the motion. The motion carried with no dissenting votes.

The Council invited the business to return for the next round of funding but would like to see adjustments made in pricing the product and a suitable match amount.

Public Comments

Chair, David Tyler, called for public comments. No public comments were presented.

Other Business

Chair, David Tyler, called for other business.

Collin advised the Council that he just received faxed abbreviated project reports from Ron Oberlander of US Omega3 Foods and Montana Food Products Laurel. Mr. Oberlander also requested that the Council table determination on his contracts until the next meeting.

Chair, David Tyler, allowed the reopening of business issues concerning these two contracts.

- *US Omega3 Foods (MDA 0750029) and Montana Food Products Laurel, LLC (MDA 1050358)*

On the first day of the meeting the motion carried with no dissenting votes to have Cort Jensen, Chief Legal Counsel for the Department, pursue legal action against the company for contract number 0750029 due to nonpayment of funds.

No further action needed.

On the first day of the meeting the motion carried with no dissenting votes to turn the grant award into a loan at ten percent interest for contract number 1050358 due to breach of contract for reporting errors. The first payment is due in one month with interest to begin accruing immediately.

No further action needed.

- *Funding for the Trade Show Assistance Program and the Mini Grant Program*

Bill Koenig moved to fund the account for these two programs an additional \$5,000.00. Patricia Quisno seconded the motion. The motion carried with no dissenting votes.

- *Next Application Deadline*

Next deadline date for submitting Growth Through Agriculture applications will be March 4, 2011.

- *Next Meeting Date*

The next meeting date will be scheduled one of two ways depending on the number of applications and amount of business issues for discussion. The Council will teleconference or meet the evening of April 5th and finish up on the 6th or meet on April 6 and 7, 2011. When to schedule the meeting will become clearer once the application deadline has passed.

Chair, David Tyler, adjourned the meeting at 2:55 p.m. on Thursday, February 10, 2011.

Respectfully submitted by:
Lindra Davies, Marketing Technician
Montana Department of Agriculture